

Staff Report
Special Exception
Grain Storage (Warehouse)
Board of Zoning Appeals
May 27, 2015

**BOONE COUNTY
BOARD OF ZONING APPEALS**

A. Petition Number:	15CL-7-054
B. Applicant:	Caleb and James Michalke representing Sugar Creek Malt Company, LLC.
C. Identification Number:	002-01510-01
D. Location:	The location of this petition is 5700 North County Road 175 East; Lebanon, IN 46052.
E. Parcel Size:	<p><u>History of Parcel</u> The subject parcel is the 1st split of a parent tract of 20.9 acres which was owned by Tom and Joyce Franco when the Ordinance was enacted on November 1, 1998. Since the enacted date of the Ordinance, the subject 2.910 acres [Tax Id 002-015-1001] was split off by recorded deed [November 9, 2012] and is presently owned by Caleb and James Michalke. The residual 18 acre parcel [Tax Id 002-0151-000] is owned by Morton Farms.</p> <p><u>Ordinance Process-Special Exception for Grain Storage Warehouse Use Determination by the Area Plan Commission Director</u> Per Section III. Authorized Uses and Requirements, for Uses not listed, the Director shall attempt to determine if the requested use is similar to a permitted use.</p> <p>Based on the submitted Land Use Narrative drafted by Caleb Michelke for the processing of grain for the wholesale production of malt for breweries.</p> <p>As stated by Mr. Caleb Michalke, "We will be bringing in raw small grains (barley, wheat, rye) and processing it into malt. The end product will look similar to raw grain, but just have some physical/chemical changes to the kernel itself".</p> <p>The APC director determination of land use for the subject use is that is similar to the land use classification of a Warehouse (Grain Storage). A Warehouse for Grain Storage requires Special Exception approval in a General Agricultural Zoning Classification.</p>
F. Land Use and Zoning:	<p><u>Present Zoning</u> The present zoning classification of this property is General Agricultural (AG).</p>
G. Action Requested:	<p><u>Action Requested</u> The applicant seeks Special Exception approval for a Warehouse for Grain Storage in the General Agricultural District</p>

Caleb and James Michalke, Jr.
April 10, 2015
Land Use Narrative

Sugar Creek Malt Company

Sugar Creek Malt Company will be producing malt for local craft breweries and distilleries. The business is located at 5700 N 175 E Lebanon, IN 46052. We will be bringing in raw small grains (barley, wheat, rye) and processing it into malt. The end product will look very similar to raw grain, but just have some physical/chemical changes within the kernel itself. We are growing some of the grain ourselves and also contracting out to other local farmers to grow grain for us. These farmers will deliver their crop via tandem or semi to our facility.

The process of malting is about a 7 day process. We will be producing in 2-ton batches. The grain will first be put into a 1000 gallon stainless steel tank until it starts to germinate. The grain will then be spread out on a grain bin floor and allowed to germinate for 3-5 days. It will then be dried and packaged. We will package our malt in 50lb bags and 1 ton super sacks. We plan on having a smoking and roasting facility in an existing structure on the property. This will be built this summer.

We are not a retail shop and will not have visitors. We will only have grain brought in from local farmers, unloaded into a grain bin, and then malt leaving being sent off to local breweries. As of right now it is just myself (Caleb Michalke) and my father (James Michalke Jr.) who will be working at the facility. We plan on hiring one employee to help with malting in the malthouse and one employee who will mostly be on the road working on sales. This year we plan on producing around 100,000 lbs of malt and would like to produce 1,000,000 lbs/year within the next 5 years. That would be the maximum we could produce in our facility.

H. History:

History of Application Submittal

This is the first time this item has appeared before the Board of Zoning Appeals.

I. Soils:

Future Buildings

The applicant is intending to utilize the existing buildings on the property for the subject operation.

J. Utilities:

The subject property is serviced by septic and well facilities.

**K. Technical Advisory
Committee Comments:**

This item was reviewed by the (TAC) Technical Advisory Committee on April 22, 2015 and had the following comments:

Boone County Health Department

The Boone County Health Department has inspected the site and understands the future malt wholesale operation. At this time, no IDEM regulations will be applied to the operation nor local health codes for the processing of grains into malt. In the event, any additional bathrooms would be applied to the existing structures, the applicant would be required to receive Boone County Health Department approval.

Applicant: Sugar Creek Malt Company

Date: May 27, 2015 BZA Meeting

Petition: Special Exception for Grain Storage Warehouse

**L. Standard for Evaluation-
Special Exception:**

Boone County Surveyors Office

At this time, the proposed processing of grains into malt requires no further drainage approvals, since the operation is operating within an existing structure on the property.

Boone County Highway Department

The Boone County Highway Department has reviewed the existing driveway cut on County Road 175 East and has no issues with the low levels of semi-truck traffic generated by the wholesale operation.

Boone County Area Plan Commission

The review of the evaluation criteria for the Special Exception by Area Plan Staff can be found below:

Evaluation Standard -1

The establishment, maintenance, or operation of the Special Exception will not be detrimental to or endanger the public health, safety, morals or general welfare.

As indicated by the materials submitted in the Special Exception application and the findings of Technical Advisory Committee (TAC) meeting, APC staff finds the petitioner has demonstrated to APC staff the ability to satisfy the zoning provisions of the Ordinance. The ability to meet the standards of the Ordinance inherently uphold the protection of the police power and pose no threats to endanger the public, health, safety, morals, or general welfare of the community.

Evaluation Standard -2

The Special Exception will not be injurious to the use and enjoyment of other property in the immediate vicinity for the purposes already permitted.

As indicated by the materials submitted in the Special Exception application and the findings of Technical Advisory Committee (TAC), APC staff finds in review of this petition, the application meets the standards of the zoning ordinance and poses no threat to the surrounding properties by the evidence submitted in the application for the future existence of the proposed processing and storage of grain.

Evaluation Standard-3

The establishment of the Special Exception will not impede or substantially alter the normal and orderly development and improvement of surrounding property for uses permitted in the District.

*The applicant has stated the special exception request is for the establishment of grain storage on the property.
The processing of grain into malt will not impede the ability to for adjacent properties to continue normal and orderly development.
The proposed land use demonstrates low impact on the area, especially, by containing the operation inside an existing building and generating low levels of traffic along County Road 175 East.*

M. Staff Analysis:

Evaluation Standard-4

Adequate utilities, access road, drainage and other necessary facilities have been or are being provided.

Drainage Outlet

At this time, this property has no drainage concerns.

Access Road

The applicant will utilize the existing driveway on County Road 175 East. The Boone County Highway Department has inspected the property and understands the volume of traffic generated by the operation will be marginal.

Evaluation Standard-5

Adequate measures have been or will be taken to provide ingress and egress so designated as to minimize traffic congestion on the public roadways.

The Boone County Highway Department has reviewed the existing driveway cut on County Road 175 East and has no issues with the low levels of semi-truck traffic generated by the wholesale operation.

Evaluation Standard-6

The Special Exception will be located in a district where such use is permitted and all other requirements set forth in the Boone County Zoning Ordinance which are applicable to such use will be met.

As found in Table 2, Authorized Uses of the Boone County Zoning Ordinance, a Warehouse, Grain Storage is permitted by Special Exception in the Agricultural District, therefore, the applicant has conducted the legal process for allowing a grain storage Warehouse in the Agricultural Zoning District.

Based on the submitted information, Area Plan Staff recommends approval of the Special Exception as presented contingent on the following conditions:

- 1) The applicant shall Sign a Right-to-Farm Agreement;
- 2) The applicant shall Sign a County Drainage Agreement;
- 3) The applicant shall show a 40' wide Agricultural Buffer which borders agricultural practices;
- 4) The Improvement Location Permit (ILP) issuance is subject to Final Technical Advisory Committee (TAC) review
- 5) The Special Exception approval for a Warehouse, Grain Storage is for the wholesale production of Grain processed into Malt, no retail sales of Grain or processed Malt may occur on-site.
- 6) Any future expansion of the legal non-conforming structure would require Development Standard Variances be approved by the Boone County Board of Zoning Appeals per the Restricted Uses Section of the Ordinance.